

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Public Services - Treasuries and Accounts Department – Sri C.Pandu, District Treasury Officer (Retd.) Ranga Reddy District – Departmental Proceedings initiated against Sri C.Pandu, District Treasury Officer (Retd.) for passing two Village Panchayat Fund Cheques without sufficient balance at the credit of the Grampanchayat Nanajipur of Shamshabad Mandal, Ranga Reddy District - Imposition of a punishment of withholding of 5% of his pension for a period of one year under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 4240

Dated:30-10-2008.

Read the following:

1. DTA Charge Memo.No.K1/24439/1996, dt. 10-07-2001.
2. Sri C.Pandu, DTO statement of defence, dated 23-7-2001.
3. DTA Lr.No.K (I)1/24439/96, dt.30-5-2002 and 23-11-2002.
4. Govt.Memo.No.45495/10/A2/Admn.I.Vig/01, dt.26-3-2004.
5. DTA Lr.No. K (I)1/24439/96, dt.27-8-2004.
6. G.O.Rt.No.3114, Finance (Admn.I.Vig) Department, dt.25-7-2005.
7. G.O.Rt.No.3860, Finance (Admn.I.Vig) Department, dt.28-10-2005.
8. Enquiry Report from Sri S.Satyanarayana, Member, Commissioner of Inquiries, Hyderabad vide Lr.No.504/COI-SSN/A2/2005, dt.28-8-06.
9. Govt. Memo.No.45495/10/ A2/Admn.I.Vig/2003, dt. 18-09-2006.
10. DTA Lr.No. K (I)1/13762/2002, dt. 25-11-2006 along with explanation of Sri C.Pandu, District Treasury Officer (Retd.), dt. 15-11-2006.
11. Govt. Memo.No.45495/10/ A2/Admn.I.Vig/2003, dt. 06-05-2008.
12. DTA Lr. No. K (I)1/13762/2002, dt. 05-06-2008 along with explanation of Sri C.Pandu, District Treasury Officer (Retd.), dt.30-05-2008.
13. Govt. Memo. No. 45495/10/ A2/Admn.I.Vig/2003, dt. 23-06-2008.
14. DTA Lr. No. K (I)1/13762/2002, dt. 04-07-2008 along with Proforma particulars.
15. Govt. Lr. No. 45495/10/ A2/Admn.I.Vig/2003,dt. 25-7-2008 addressed to Secretary, APPSC, Hyderabad.
16. Secretary, APPSC Lr.No.1102/RT-I/1/2008, dt. 29-8-2008.

ORDER:-

During the course of enquiry into the allegations against Sri K.Komaraiah, Senior Accountant, District Treasury, Rangareddy District it was found that there was fictitious entries in the Village Panchayat Fund ledger against the Nanajipur Grampanchayat of Shamshabad Mandal. The Village Panchayat Fund ledger of the District Treasury, Rangareddy for the year 1996-97 shows a balance of Rs.72,158/- as on 8-4-96 against the Nanajipur Grampanchayat. The subsequent entries dt.10-5-96 shows that the following cheques for a total amount of Rs.71,646/- were admitted and passed for payment:

B-367447, dt. 18-5-1996	Rs. 15,000/-
B-367448, dt. 21-05-96	Rs. 50,146/-
B-367449, dt. 27-5-96	Rs. 6,500/-

Total	Rs.71,646/-

After deducting this amount from the previous balance, there was a balance of Rs.512/- only. The ledger shows that another cheque bearing No.B-367450 dt. 8-7-96 for Rs.55,000/- was admitted and passed for payment on 24-7-96. As the previous balance was only Rs.512/-, the District Treasury, Rangareddy, should not have passed the above said cheque for payment. To conceal this irregularity, a fictitious entry in between the dates 8-4-96 and 10-5-96 showing a remittance of Rs.55,000/- by way of challan No.5721/5721, dt. 8-5-96 was made to make it believe that there was sufficient balance at the time of passing for payment of the above said cheques. After this transaction, there should be a balance of (-) Rs.54,488/- but the ledger shows a balance of Rs.512/-. Again on 1-8-96, another cheque bearing No.B-367451, dt. 1-8-95 for Rs.85,000/- was admitted and passed for payment even though there was the above said minus balance at the credit of the Grampanchayat. To conceal this irregularity, the entries of the following two challans have been incorporated in between the entry of the above said payment dated 24-7-96 and another challan bearing No.00035, dt.1-8-96 for Rs.2,642/-

- a) Ch.No.4500, dt. 20-8-96 for Rs.90,000/-
- b) Ch. No.5534, dt. 23-8-96 for Rs.25,000/-

2. A detailed verification of the certificates of credit of the said challans and Plus and minus account of August, 95 shows that the cheque was passed for payment on 1-8-96 and whereas the above said two challans were remitted after passing for payment of the cheque i.e. on 20-8-96 and 23-8-96. It also reveals that the Challan No.5721 for Rs.55,000/- was remitted on 24-8-96 and not on 8-5-96 as shown in the fictitious entry made to conceal the first irregularity.

3. From the above it is obvious that the District Treasury, Rangareddy has admitted the following two cheques of the Grampanchayat, Nanajipur of Shamshabad Mandal even though there was no sufficient balance at credit and thereby caused unnecessary drain of valuable resources:

a) Cheque No.B-367450, dt. 8-7-96	Rs. 55,000/-
b) Cheque No.B-367451, dt. 1-8-96	Rs. 85,000/-

It is also clear that to conceal the said irregularity the Village Panchayat Fund Ledger was tampered with and thereby resorted to act of moral turpitude.

4. Sri C.Pandu who worked as Assistant Treasury Officer, District Treasury, Rangareddy and who was entrusted with the powers to pass the Village Panchayat Fund Cheques for payment is ultimately responsible for passing for payment of the said two cheques and for tampering with of the Village Panchayat Fund ledger concerned and Sri G. Subash who worked as Sub-Treasury Officer, District Treasury Rangareddy and who was entrusted with the supervisory responsibility of processing and passing or payment of Village Panchayat Fund cheques is responsible for processing of the cheques for the pass orders of his Assistant Treasury Officer and for the tamperings done in the Village Panchayat Fund Ledger concerned.

5. The following charges were framed against Sri C.Pandu, District Treasury Officer (Retd.).

Charge-I:

Sri C.Pandu, while working as Asst. Treasury Officer, District Treasury, Rangareddy District has passed two Village Panchayat Fund Cheques bearing No. B-367450, dt. 08-07-1996 for Rs.55,000/- and B-367451, dt. 01-08-1996 for Rs.85,000/- for passing for payment by his Assistant Treasury Officer without sufficient balance at the credit of the Grampanchayat Nanajipur of Shamshabad Mandal on 24-07-1996 and 01-08-1996 respectively.

Charge-II:

Sri C.Pandu, while working as Asst. Treasury Officer, District Treasury, Rangareddy District has allowed tampering of some entries in VPF ledger – 1996-97 of the Nanajipur Grampanchayat of Shamshabad Mandal to cover-up the fraud of payment of two VPF cheques without sufficient balance at the credit of the Grampanchayat Nanajipur of Shamshabad Mandal.

6. In the reference 5th read above, Sri C.Pandu, DTO (Retd.) has furnished the defence statement. The Charged Officer, in his defence statement, has stated that the cheques were admitted based on the entries made in a Rough Chitta. The Sr. Accountant concerned has fabricated bogus challans in support of payments to the Grampanchayat of Nanajipur of Shamshabad Mandal. The challans appeared to be as pucca challans without any scope to entertain doubt about their bonafides. The STO concerned also passed on the cheques to him subscribing his initials beneath the pass order. He attested the entries made by the Senior Accountant in the folio of Nanajipur Grampanchayat in a routine way after attested by the concerned STO. The Senior Accountant with the fake challans misled him. The Senior Accountant has fabricated the bogus challans and interpolated the entries in the ledger to obtain his initials on the two cheques. He has requested to drop the charge framed against him, as he was totally unaware of the mischief played by the Senior Accountant.

7. In the meanwhile, the Charged Officers, Sri C.Pandu and Sri G.Subash have retired from service. The DTA forwarded their cases to the Government for taking further action under Rule 9 of A.P. Revised Pension Rules, 1980. Government vide G.O.Rt.No.3860, Finance (Admn.I.Vig) Department, dt. 28-10-2005 appointed Sri S.Satyanarayana, Member, Commissioner of Inquiries to conduct regular enquiry into the charges framed against Sri C.Pandu, District Treasury Officer (Retd.) and Sri G.Subash, Asst. Treasury Officer (Retd.). In the Inquiry, the charges framed against Sri C. Pandu, District Treasury Officer (Retd.) and Sri G.Subash, Asst. Treasury Officer (Retd.) were held proved.

8. In the enquiry the charges framed against them are proved. The findings of Inquiry Officer are as follows:

8.1. From the facts brought out during the inquiry and also from the records and material evidence adduced it is evident that the two cheques bearing No.B-367460, dt. 8-7-1996 for Rs.55,000/- and No.B.367451, d. 1-8-1996 for Rs.85,000/- were passed and payment was released by the Charged Officers without the availability of sufficient balance of grant at the credit of Nanajipur Grampanchayat and to conceal the irregularity the entries in the Village Panchayat Fund ledger were tampered. The statement of the Charged Officers, that they have passed the two cheques of Rs.55,000/- and Rs.85,000/- for payment basing on the entries in the “Rough Chitta” and also by relying on the version of Senior Accountant and by taking into account the challans shown by the Senior Accountant being the concerned case worker is not tenable. ‘Rough Chitta’ is not an authenticated and authorized record to act on it. It is only a record of rough work noted down by the caseworkers for their knowledge and generally used by them for cross verification while making entries in the regular and prescribed official records. The Register of Personal Deposits in Form TA 22 is the regular and prescribed official record maintained in the Treasury to record transactions of receipts and basis for admitting and payment of P.D. account cheques related to Grampanchayats and each entry of receipt and payment are recorded and balances struck on daily basis by the concerned and each balance is attested by the Treasury officers (i.e.) the Assistant Treasury officer in the District Treasury and Sub-Treasury Officer in respect of Sub-Treasury after due verification and satisfying with the correctness of entry. Further, as per rules in force every payment has to be released only against the sufficient grant available of grant therefore amounts to misappropriation. In the instant case, from the statement of Charged

Officers that during the period from 14-7-96 to 30-9-96 the bank scrolls received in the Rangareddy Treasury was kept un-attended by the staff as they applied delay tactics in pursuance to a call given by the APTSSA, and therefore **the Charged Officers allowed and released the payments of two cheques believing the entries made in the 'Rough Chitta' to be genuine** and with a view not to cause inconvenience to the parties, it clearly proves that the Charged Officers have signed and released the payment of two cheques without verifying the availability of required grant at the credit in the accounts against Nanajipur Grampanchayat and also without verifying the receipt of amounts remitted by the concerned into the Government account and caused unnecessary drain of valuable resources.

8.2 Further, from the material record (Personal Deposit Register Page 544 and 545) adduced in the case it is evident that the ledger was tampered with the interpolated entries of the under mentioned three sanctions made in between to conceal the said two irregular payments making on record to believe that there was sufficient balance as on the date of release of payment of Rs.55,000/- and Rs.85,800/-.

- (i) Challan bearing No.5721 amounting to Rs.55,000/-, which was actually remitted on 24-8-1996 was entered in the ledger with 8-5-1996 date (i.e.) above 10-5-1996 raising the balance from Rs.72,158/- to Rs.1,27,158/-.
- (ii) Challan No.4500 for Rs.90,000/- and another Challan No.5534 for Rs.25,000/- which were actually remitted on 20-8-1996 and 23-8-1996 respectively were entered in the ledger with 20-7-1996 and 23-7-1996 dates (with over writings in the dates) raising the amounts from Rs.512.00 to Rs.90,512.00 and from Rs.90,512/- or to Rs.1,15,512/-.

8.3 The balances struck taking into account the said three challans are attested by the Charged Officers and having attested that false and interpolated entries without verifying their genuineness the Charged Officers proved to be responsible for the tampering of Village Panchayat Fund ledger. In the light of this, the statement of the Charged Officers that the interpolated entries were not there recorded in the ledger when it came for their signature and they do not know about the receipts at that time is not tenable. Further, the statement that they did not attest the entries in the fraudulent receipts is not acceptable for the reasons that the entries and cumulative totals (i.e) balances are very clear in the register and Charged Officers have attested the balances as they are appearing after interpolation and tampering only. Though the original challans and paid cheques are not produced by the Presenting Officer, the copies of challans and the transaction (i.e) release of payments of two cheques under question and also tampering of entries in the Village Panchayat Fund ledger perused by the Charged Officers during course of inquiry have been disputed. Hence, the statement of the Charged Officers that in the absence of original documents there is no case to continue the inquiry is not acceptable.

8.4 From the evidence adduced in the case it is proved that, the Charged Officers have signed and released the payment of two cheques without verifying the availability of sufficient balance under credit against Nanajipur Grampanchayat, without verifying the genuineness of challans reported to have been shown to them by the concerned Senior Accountant and without verifying the crediting of amounts remitted by said challans in to Government account and also have attested the fictitious and interpolated entries tampered in the Village Panchayat Fund Ledger. Hence, **the charges framed against Sri C.Pandu, District Treasury Officer (Retd.) and Sri G.Subash, Assistant Treasury Officer (Retd.) of District Treasury, Ranga Reddy, Treasuries and Accounts Department are proved.**

9. Government, after careful examination of the Charges framed against Sri C.Pandu, District Treasury Officer (Retd.) Ranga Reddy District and his Written Statement of Defence and the findings of the Enquiry Officer found that the Charges framed against him were held proved substantially and furnished a copy of the Enquiry report to the charged officer vide reference 9th read above.

10. The Charged Officer, C.Pandu, DTO (Retd.) in his representation has stated that Inquiring Authority has not taken the fact that the cheques & Challans were being handed over to the accountant only once or twice in a month into account. The insertion was made by Sri Komaraiah at an appropriate place to boost the balances in the VPF ledger. The treasury employees adopted go slow process in attending to the compilation of treasury accounts during the period from 14-7-1996 to 30-9-1996 and the bank scrolls were kept pending without distributing them to the Accountants concerned for making entries in the relevant ledgers. Hence, Katcha Register was relied upon and the two cheques were admitted i.e., one for Rs.55,000/- on 24-7-1996 and the other for Rs.85,000/- on 1-8-1996. The Senior Accountant made entries in the Katcha Register showing challans as if the amounts were really credited to the account. The cheques in question were passed without causing inconvenience to the parties. These two cheques were admitted seeing the entries made in the Katcha Register and the challans through which the amounts were said to have remitted to the Panchayat Funds concerned.

11. The Charged Officer, C.Pandu, DTO (Retd.) further stated that it is highly impossible to make day to day entries in VPF Ledger when challans and cheques were being handed over only once or twice in a month. The authorities have not gone into the details as to why there was delay in handling over challans and cheques to the accountants concerned. The Inquiring Authority has failed to understand that the ledger was returned after a long time of passing these few cheques. The I.A. also failed to understand that Sri K.Komaraiah, Sr. Accountant did the mischief. Therefore, Sri C.Pandu, DTO, Retd. has requested to consider his plea to drop further action in the matter.

12. Government, after careful examination of the explanation of the Charged Officer with reference to the findings of the Enquiry, found that it is primary responsibility of the Charged Officer as Treasury Officer to verify carefully and to satisfy that there is sufficient balance available under credit before passing cheques and releasing payments. In the inquiry it is clearly proved that, the Charged Officer Sri C.Pandu, the then ATO now retired District Treasury Officer have signed and released the payment of two cheques without verifying the genuiness of challans reported to have been shown to them by the concerned Senior Accountant and without verifying the crediting of amounts remitted by said challans into Government account and also have attested the fictitious and interpolated entries tampered in the Village Panchayat Fund Ledger. Therefore, Government have came to a provisional conclusion to impose a punishment of withholding of **5% of his pension for a period of two years** on the Charged Officer, Sri C.Pandu, District Treasury Officer (Retd.), under Rule 9 of A.P. Revised Pension rules, 1980. Accordingly, a final show cause notice was issued to the Charged Officer, Sri C.Pandu, District Treasury Officer (Retd.) vide reference 11th read above.

13. The Charged Officer, C.Pandu, District Treasury Officer (Retd.), in his explanation at reference 12th read above, did not put forth any fresh grounds for consideration. He has requested to look into the realities and to drop further action in the matter of coming to provisional conclusion of imposing 5% cut in his pension for two years for no fault of him.

14. Government, after careful examination of the Charge framed, written statement of defence and explanations of the Charged Officer, C.Pandu, District Treasury Officer (Retd.), with reference to the findings of the Enquiry Officer in detail, observed that the Charged Officer, C.Pandu, District Treasury Officer (Retd.), while working as Asst. Treasury Officer, District Treasury, Rangareddy District has failed to perform his

legitimate duties. He passed the cheques for payment without verifying the amounts remitted into Government account and attested the fictitious and interpolated entries in the Village Panchayat Fund Ledger of Nanajipur Gram Panchayat. In the Inquiry, the charges framed against are held proved substantially. Therefore, Government came to a provisional conclusion for imposition of a punishment of withholding of 5% of his pension for a period of two years under Rule 9 of A.P. Revised Pension Rules, 1980 and referred the matter to the Andhra Pradesh Public Service Commission, Hyderabad for their concurrence vide letter 15th read above.

15. The Secretary, Andhra Pradesh Public Service Commission, Hyderabad in his letter 16th read above, has informed that the Commission after careful examination of the disciplinary case and in light of the records made available, advised the Department to impose a punishment of 5% cut in pension for a period of one year.

16. Government, after careful consideration of the matter and **the advice of the A.P. Public Service Commission for imposition of a punishment of withholding 5% of pension for a period of one year on the Charged Officer Sri C.Pandu, DTO (Retd.)** accepted and accordingly, hereby order for imposition of a punishment of withholding of 5% of pension for a period of one year on the Charged Officer, Sri C.Pandu, District Treasury Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

17. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

18. The G.O. is available on Internet and can be accessed at the address <http://www.goir.ap.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**DR. SAMEER SHARMA
SECRETARY TO GOVERNMENT (FP)**

To

The individual through the Director of Treasuries & Accounts, A.P., Hyderabad.
The Director of Treasuries and Accounts, A.P., Hyderabad.

Copy to:

The Accountant General, A.P., Hyderabad.
The Secretary, Andhra Pradesh Public Service Commission, A.P., Hyderabad
The Deputy Director, District Treasury, Ranga Reddy District.

:: FORWARDED BY ORDER ::

SECTION OFFICER